regarding receipt of foreign contribution by a voluntary association(s) can be accessed from MHA's website mha.nic.in.htm. The requirement under Foreign Exchange Management Act, 1999, administered by Ministry of Finance, is that the foreign money should be received by persons resident in India through authorized banking channels.

(c) to (e) In terms of Foreign Exchange Management (Current Account Transactions) Rules, 2000 dated 3rd May, 2000 drawal of foreign exchange for the following transactions is prohibited:

- Remittance out of lottery winnings.
- Remittance of income from racing/riding, etc., or any other hobby.
- Remittance for purchase of lottery tickets, banned/prescribed magazines, football pools, sweepstakes, etc.

To caution and educate the members of public in this regard, Reserve Bank of India have issued from time to time instructions as under, which can be accessed on RBI's website www.rbi.org.in:

i. A.P. (DIR Series) Circular No. 22 dated 7.12.2000
ii. A.P. (DIR Series) Circular No. 2 dated 27.7.2001
iii. A.P. (DIR Series) Circular No. 73 dated 24.1.2003

A press release 6/2004-2005 dated 11th August, 2004 entitled "RBI cautions public against huge fictitious offers from Non-Residents" was also issued by RBI wherein public at large were cautioned not to fall prey to such fictitious offers or become a victim of the foul play of such miscreants.

Retirement bottlenecks for NRIs in USA

504. SHRI MANOJ BHATTACHARYA: Will the Minister of FINANCE be pleased to state:

(a) whether a large number of Indian professionals working in the USA are constrained to leave back a sizable quantum of their retirement benefits in that country while coming back to India;

(b) if so, the details thereof and the reasons therefore; and

(c) the steps proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) All citizens and foreign nationals employed in the USA, even temporarily, are required to pay social security tax amounting to 16.5% of their earnings. While this tax is applicable from the day of commencing work, in US, social security benefits are available only after completion of 10 years of work in the USA. Indian professionals, who travel to the US on an HIB visa, cannot avail the benefits of the contribution, as the maximum permissible tenure of stay under this scheme is 6 years.

(c) This issue has been taken up by the Government of India with the US authorities. India had also proposed a draft Totalisation Agreement to the USA for consideration so that this double taxation could be removed. But the USA has not so far responded positively in the matter.

Private Pension Scheme

505. SHRI MANOJ BHATTACHARYA: Will the Minister of FINANCE be pleased to state:

(a) whether a Private Pension Scheme is being introduced for Central Government employees who have joined service after 1st January, 2004;

(b) if so, the details thereof;

(c) whether Government would henceforth be absolved of all pension liability;

(d) if so, the status of the existing Government servants who joined service prior to 1st January, 2004; and

(e) the steps proposed to be taken to ensure that the pensionary rights including the quantum of pension of the existing pensioners remain unaffected under the new dispensation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) A new restructured defined contribution pension system is mandatory for all new Central Government recruits (excluding Armed Forces, in the first stage) with effect from 1st January,2004. The monthly contribution is 10 percent of the salary and Dearness Allowance to be paid by the employee and matched by the Central Government.

(c) and (d) No, Sir. Pension liability of all existing pensioners as well as those employees who were already in service on 31.12.2003 would remain with Central Government.

(e) The new pension system is not applicable to existing pensioners.

Merger of IFCI

506. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is a proposal to merge IFCI Limited with Industrial Development Bank of India;

(b) if so, the details thereof;

(c) whether IFCI is already having merger association with any other bank; and